

# **Maine Center for Disease Control and Prevention WIC Nutrition Program**

Effective: October 1, 2011

Policy No. FM-8

## **State and Local Agency Allowable Costs**

### **Authority**

7 CFR §3016;

OMB Circulars A-87 and A-122

### **Policy**

1. Allowable costs are defined as reasonable, necessary, and documented.
2. Documentation of allowable costs must be maintained for a minimum period of three (3) years.
3. A cost is considered reasonable if under the circumstances a prudent person would incur the cost. Consideration should be given to the following:
  - 3.1 Whether the cost provides the program a benefit commensurate with the cost incurred.
  - 3.2 Whether the cost is of a type generally recognized as ordinary and necessary.
  - 3.3 Whether incurring the cost follows sound business practice.
  - 3.4 Whether the cost meets Market prices for comparable goods and services.
  - 3.5 Whether the cost was incurred in accordance with the terms and conditions of the contract with the State Agency.
    - 3.5.1 Necessary costs are costs incurred to carry out essential program functions that cannot be avoided without adversely impacting program operations.
    - 3.5.2 See Appendix FM-A5 for a summary chart listing allowable and unallowable costs.
    - 3.5.3 Policies FM-9 through FM-13, specify in further detail allowable and unallowable costs.

### **Procedure**

1. To document allowable nutrition education costs under the WIC program, the State Agency shall determine the percentage of staff time devoted to WIC tasks for both the State Agency and its Local Agencies through an established protocol.
  - 1.1. State Agency and Local Agency staff must complete online time studies the first full week of every month. The results of the time study must be reported to the State Agency within two weeks of its completion.
  - 1.2. The study results provide a projection for nutrition education and breastfeeding costs and can be used for reporting nutrition education and breastfeeding support activities expenses.

- 1.3. Staff accesses the time study from the intranet.
- 1.4. The State Financial Manager and the Local Agency Director monitor online submissions for accuracy.
- 1.5. Employees who do not have a State Agency email account are required to complete their time studies manually and to submit them to their director for online input.
- 1.6. The Financial Manager shall report time study results to Local Agencies on a semiannual basis.
- 1.7. Time study categories and descriptions are as follows:
  - 1.7.1 Client Services:
    - 1.7.1.1 Certification - Performing height and weight measurements, blood test assessments, income, residency and identification verifications, health and diet assessments; completing certification forms, explaining the benefits of the Program, determining risk, documenting in the client file, obtaining and sending medical information; issuing food instruments; referring to other services.
    - 1.7.1.2 Nutrition Education - Providing individual counseling (including face-to-face, telephone or written correspondence) or group education and evaluating results; arranging for interpreter/translator services.
    - 1.7.1.3 Breastfeeding - Providing individual counseling, (including face-to-face, telephone or written correspondence), group education, peer counseling; electric breast pump authorizations and follow-up.
    - 1.7.1.4 Food Delivery - Printing and mailing food instruments.
  - 1.7.2 Client Support
    - 1.7.2.1 General - Maintaining files, medical, breastfeeding and other office supplies; food instrument registers, scheduling appointments.
    - 1.7.2.2 Travel - Travel to and from clinics
  - 1.7.3 Program Management
    - 1.7.3.1 Administrative
    - 1.7.3.2 Program planning and evaluation; managing day-to-day operations; supervising and training staff; caseload management including outreach and community collaborations; attending meetings and training; travel.
    - 1.7.3.3 Nutrition Education - developing, implementing and evaluating education initiatives; attending meetings and training; travel.
    - 1.7.3.4 Breastfeeding - developing, implementing and evaluating breastfeeding initiatives; staff training; attending meetings and training; travel.

1.7.3.5 Special Formula - tracking special formula authorization, follow-up and orders.

1.7.4 FMNP - Farmers' Market planning and program management

1.7.5 Other

1.7.5.1 Lunch

1.7.5.2 Break

1.7.5.3 Leave

1.7.6 BFPC - Work related to and paid for out of Breastfeeding Peer Counseling Program funds

1.7.7 Non WIC - Work not paid for out of the WIC administrative grant

2. Time studies are calculated automatically by the reporting tool as follows:

2.1 Determine total WIC hours

2.2 Determine total direct service

2.2.1 Direct Service: total direct services hours divided by total WIC hours = %

2.3 Determine direct support

2.3.1 Direct Service Support: total direct support hours divided by total WIC hours = %

2.4 Determine total administrative

2.4.1 Administrative: total administrative hours divided by total WIC hours = %

Total of 1 + 2 + 3 = 100%

3. Other allowable costs must be documented by retaining all accounts payable invoices, and any other documentation necessary to document that the expense is allowable.